



Compensation Manager. Linda Forget was the Corporate Director of Benefits with Albany International Corp. and was responsible for managing Albany's pension program for hourly employees.

3. Ms. Davis was eligible for retirement benefits through a defined benefit plan. To be eligible for retirement benefits, an employee subject to the defined benefit plan is required to be at least age 55 and have 10 years of service. For example, an individual hired by the Company at age 50 would be eligible for retirement benefits at age 60 (i.e., at least age 55 and 10 years of service). Similarly, although I have been employed by Albany for more than 25 years, I will not be eligible for retirement benefits until I reach age 55. Individuals whose employment ends for any reason prior to being retirement eligible, however, remain entitled to any vested benefits they have earned in the retirement plan. Attached hereto as Exhibit 1 is a true and correct copy of the Summary Plan Description for Albany's Pension Plus Plan.

4. Exhibit 11 to Ms. Davis' May 12, 2006, deposition, is a letter I wrote to Ms. Davis on October 29, 2003. This letter was presented to Ms. Davis during a meeting on that date attended by Dora Davis, Jeff Johnston, Bob Hampsey, Norma Heath, and myself. During this meeting, Ms. Davis informed us that she was resigning her employment with Albany International. The hand written note above

my signature on page 2 of Exhibit 11 is in my handwriting. No one during this meeting discharged Dora Davis.

5. Exhibit 12 to Ms. Davis' deposition is an Albany International exit interview form that Bob Hampsey and I presented to Ms. Davis following her statement that she was resigning from the Company. With the exception of Ms. Davis' signature on this form, the hand writing is mine, and reflects the steps taken with Ms. Davis to complete her resignation from the Company. This is a standard exit interview form Albany utilizes with employees who resign from the Company. Even though Ms. Davis elected not to complete the voluntary resignation form attached as Exhibit 13 to her deposition, the exit interview form accurately reflects that she voluntarily resigned as indicated by Ms. Davis' signature on the exit interview form. Ms. Davis was not discharged by Albany for any reason.

6. I did not take any action against Ms. Davis because of her race. I did not take any action against Ms. Davis for the purpose of interfering with her pension benefits or her rights to any medical leave or disability insurance with Albany. Although I may have assisted an employee in submitting their application for STD or LTD benefits, I had no responsibility for deciding whether any employee was eligible for short term or long term disability benefits. That decision was made by our disability insurer. In 2003, Prudential insured the Company's short and long term disability Plans for hourly employees, and

Prudential was responsible for making benefit determinations. I never denied Ms. Davis FMLA leave when she provided medical certification of her need for leave due to a serious health condition.

7. I have no knowledge that Mr. Johnston ever made any remarks to or took any action against Ms. Davis because of her race.

8. Mr. Johnston was employed in Albany's Montgomery plant from March 21, 1988 through on or about April 7, 2004. Throughout that time, Albany had in place policies prohibiting all employees, including supervisors, from harassing or discriminating other employees. I have no knowledge that Jeff Johnston or any other employee of the Company engaged in any such behavior toward Dora Davis.

9. George Cazalet worked in Albany's Montgomery facility from August 1989 through August 2003. Ken Funderburk has been employed in Albany's Montgomery facility since October 14, 1966. John Watson transferred out of Albany's Montgomery facility in 1995.

10. Attached hereto as Exhibit 2 is a true and correct copy of Dora Davis' Attendance Report for the period October 26, 2002 through October 26, 2003.

11. Attached hereto as Exhibit 3 are true and correct copies of Dora Davis' time cards for the weeks ending August 24, October 5, October 12, October 19, October 26, and November 2, 2003.

I declare under penalty of perjury that the forgoing is true and correct.

6-21-06  
Date

Ted Bryant  
Ted Bryant



Summary Plan Description January 1, 1999

PENSION  
PLUS

**ALBANY**  
INTERNATIONAL



*ALBANY INTERNATIONAL CORP. PENSIONPLUS SUMMARY PLAN DESCRIPTION — JANUARY 1, 1999*

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## Part 1 — PensionPlus

*PensionPlus* is a defined benefit pension plan. This means that the Plan uses a formula based on your years of service and earnings that “defines” your pension at retirement.

You don’t contribute to *PensionPlus* and you don’t enroll. Albany International keeps track of your eligibility and pays the entire cost of the Plan. The contributions the Company makes are placed in a trust fund. Once contributions go into the trust fund, the money generally can only be used to provide pension benefits.

By their nature, pension and savings plans are complicated arrangements. We’ve done our best to describe the Plan in simple terms, but this summary plan description is not a substitute for the complete Plan document. If there is any difference in interpretation between this summary plan description and the Plan document, the Plan document will govern. You may examine the Plan

document at your local personnel office, or a copy will be provided to you on request for a small copying fee.

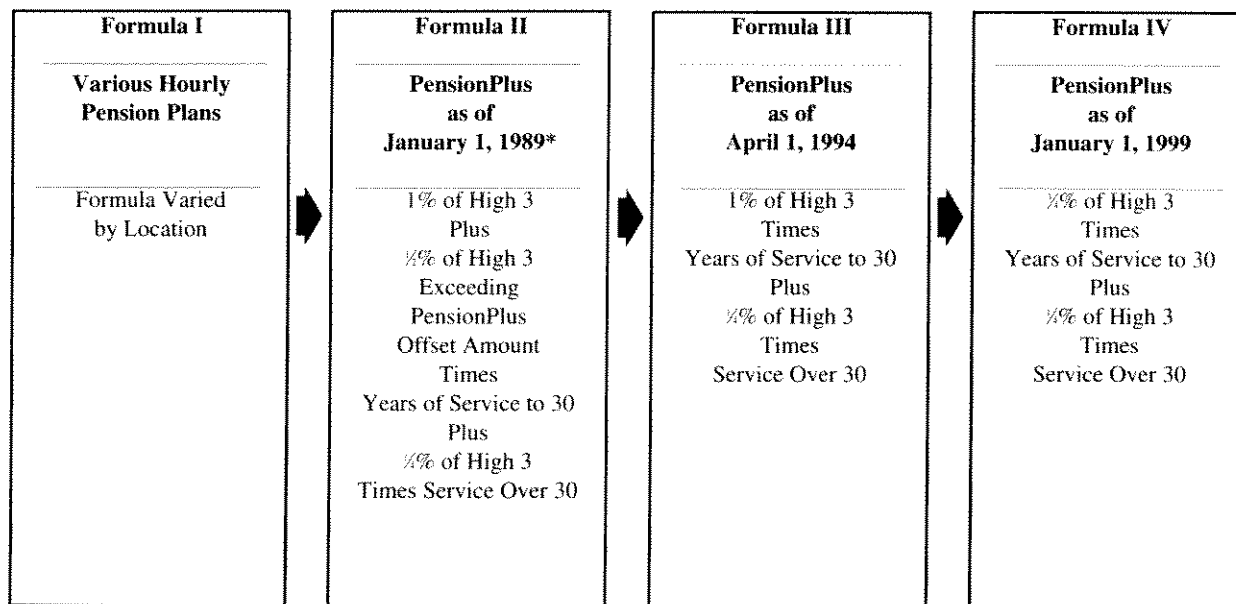
Please read this summary plan description and save it for future reference. If you have any questions, talk to your Benefits Representative.

### PENSIONPLUS IS CLOSED TO NEW PARTICIPANTS

*PensionPlus* is not available to employees hired on or after October 1, 1998. However, for all employees hired prior to that date, the plan remains in effect, just as it was prior to that date.

### HOW TO CALCULATE YOUR PENSIONPLUS BENEFIT

The *PensionPlus* formula is based on your “High 3” which is the average of your three highest income years out of the last ten years you work. Normally these will be the last three years you work.



\*The adoption date for Formula II varied at some locations.



**THE PENSIONPLUS FORMULA AS OF JANUARY 1, 1999**

Over the years changes have been made from time-to-time in the *PensionPlus* formula. Here is the formula for *PensionPlus* as of January 1, 1999:

$$\begin{array}{l} \frac{3}{4}\% \text{ of your "High 3"} \\ \text{Times} \\ \text{your years of service (up to 30)} \\ \text{plus} \\ \frac{1}{4}\% \text{ of your High 3 times service over 30} \\ \text{Equals} \\ \text{Your Annual Pension Benefit} \end{array}$$

**PRIOR AND FUTURE PENSIONPLUS FORMULAE**

Because the *PensionPlus* formula has changed over the years, and because it also may change in the future, an employee's final Albany pension may include pension earned under as many as four different versions of *PensionPlus*. Effective April 1, 1994, the formula for *PensionPlus* was reduced. The formula was reduced again in 1999. You can see the changes in the *PensionPlus* formula over time from the table on the opposite page.

**THE RULE OF 60**

Employees with 10 years or more of service whose total of age plus service equals 60 or more on April 1, 1994 are eligible for a special *PensionPlus* Rule of 60 benefit. This benefit assures that an eligible employee will have a pension from the new plan plus additional income from *Profit-Sharing* at least as great as the old plan up until December 31, 2003. In some cases, the total income may be greater.

For employees who qualify under the Rule of 60 and retire, die or terminate their employment on or before December 31, 2003, their *PensionPlus* Rule of 60 benefit will be calculated as if the *PensionPlus* formula changes made April 1, 1994 and January 1, 1999 had not taken place. For employees who qualify under the Rule of 60 but continue working after December 31, 2003, the calculation of benefits under the old formula for the Rule of 60 benefit calculation will be made as if they had retired or terminated on December 31, 2003.

The employee's regular *PensionPlus* benefits under the new formula, plus the additional

income that could be provided from a special Rule of 60 account balance, will be compared to the benefit under the old formula. If the old plan benefit is more than the total, an additional Rule of 60 benefit amount will be paid from *PensionPlus* to meet the old plan amount. The Rule of 60 account balance will be equal to the value of *Profit-Sharing* contributions, assuming contributions of 2% were made for the employee (or would have been made if the employee had contributed to *ProsperityPlus*), valued as if the contributions had been invested to yield a return based on the average of the prior year's Prime Rate plus 3%.

**WHO THE PLAN COVERS**

You become a member of *PensionPlus* if you are either a full-time salaried or hourly employee of Albany International in the United States.

You cannot become a participant if you are:

- 1) a summer recruit,
- 2) a co-op student,
- 3) an employee who works fewer than 1,000 hours a year,
- 4) a leased employee (as it is defined under the Internal Revenue Code), or
- 5) if you were hired on or after October 1, 1998.

**HOW YOUR RETIREMENT BENEFIT IS DETERMINED**

In order to understand the *PensionPlus* formula, it's first necessary to understand two technical terms that the formula includes: High 3 and the *PensionPlus* Offset.

Your High 3 is the average of your January 1 base compensation (excluding bonuses, overtime hours, overtime pay and commissions) for the 3 consecutive years of your highest compensation out of the last 10 years you work. If you don't work 10 consecutive years, your High 3 will be the average of your compensation for the highest 3 consecutive years out of the total years you are an eligible employee. Your High 3 may include your base compensation in effect on January 1 of the year you retire.

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Under the benefit formula in effect prior to April 1, 1994, the *PensionPlus* Offset is an amount determined in accordance with government regulations which was used to approximate the Social Security benefit which the Company paid for. In 1999, it was \$28,304. In future years, it will be increased proportionate to the increase in the Social Security Wage Base.

In addition to this *PensionPlus* benefit, when you are eligible you will receive your Social Security benefits. But, if you have benefits payable under any other plan maintained by the Company to compensate for loss of income under a state or federal program that requires Company contributions (such as worker's compensation, disability or occupational diseases law), they will be subtracted from your *PensionPlus* benefit, unless such other benefits under a state or federal program have reduced benefits payable under another Company plan.

**Service** is counted in complete months. For example, if you become a full-time eligible employee on June 1, 1990, your first month of service would be June. However, if your date of hire was June 2, your first month of service would be July 1990. Service completed after March 31, 1994, is counted in plan years (i.e., calendar years) during which you work at least 1,000 hours. For example, if you are hired on April 1, 1995, and complete 1,000 hours by December 31, 1995, you will be credited with a year of service for the 1995 plan year. In the year of your termination, you will be credited with a partial year of service if you leave prior to December 31. The partial year will be determined by dividing the number of full months that you worked in that year by 12.

A break in service (see below) may not count toward your credited service. A break in service is the period of time beginning on the date you are absent from work. A one year break in service is at least 12 consecutive months of absence. Effective April 1, 1994, you will incur a break in service in any plan year during which you do not work more than 500 hours.

**Vesting.** You are 100% vested when you complete five years of service.

Also, you are fully vested if you are still employed

- on your 65th birthday, or
- upon disability.

**Break in Service.** If you terminate employment with the Company for one year or more, you have a "break in service." Your credited service may be affected by a break in service.

If you have a break in service and then are re-employed, your credited service will be reinstated if:

- 1) the first period of service is five years long or more;
- 2) the later period of service is five years long or more;
- 3) the first period of service is longer than the break in service.

If your service cannot be counted together, the first period of service will be canceled.

If you have a break in service because you are serving in the United States Armed Forces you may receive service credit. Your break in service for a disability can count for service credit if you recover and return to employment, or if you retire or die during your disability.

**ACCRUED PENSION BALANCE**

If you have an accrued benefit under a previous hourly pension plan, it will be added to the *PensionPlus* benefit you began accruing as of January 1, 1989 or later, depending on the adoption of *PensionPlus* at your location. This accrued benefit is frozen as of the effective date at your location, but will be indexed annually by the increase in the Social Security Wage Base. The *PensionPlus* retirement formula applies to Salaried Plan participants from their hire date, but their benefit cannot be lower than the Salaried Plan benefit accrued through May 2, 1990.

There are special provisions which guarantee the minimum benefit you are entitled to receive if you belonged to any of the previous pension plans. Contact your Benefits Representative with any questions about your minimum benefit amount.

There are four retirement benefits under *PensionPlus*:

- Normal Retirement,
- Deferred Retirement,
- Early Retirement, and
- Disability Retirement.

You may have to meet special conditions to retire early or because of a disability, so read those sections carefully. The retirement benefits are described in more detail below.

### VESTED SEPARATION BENEFIT

If you stop working for Albany International for any reason other than retirement, disability or death, and if you are vested, you may receive a benefit from Albany International when you retire, even if you also receive a pension from another employer.

A "vested separation benefit" is calculated using the following formula and "your fraction." "Your fraction" is the number of years of credited service you actually have at the time you terminate, divided by the number of years of credited service you would have had if you had kept on working until your normal retirement date (technically called "projected credited service").

For example, the *PensionPlus* formula (Formula III in effect January 1, 1999) for a vested separation benefit is:

$\frac{3}{4}\%$  of your High 3 on your termination date

**TIMES**

your projected credited service up to 30 years

**PLUS**

$\frac{1}{4}\%$  of your High 3 on your termination date

**TIMES**

your projected credited service over 30 years,  
multiplied by your fraction

You can choose your pension commencement date — any date after age 55 up to your normal retirement date. Your benefit would be reduced  $\frac{1}{2}\%$  for each month earlier than age 65 your benefit commences.

### DEATH BENEFITS

The death benefits for your surviving spouse earned under the Salaried Plan prior to May 2, 1990 or one of the previous hourly plans in which you may have been a participant are preserved under *PensionPlus*. Additional death benefits accrue under *PensionPlus* for your surviving spouse.

If you were married for one or more years at the time your benefit payments began and die without choosing an optional form of benefit, or waiving the ERISA mandated joint and survivor benefits, your spouse could receive benefits in addition to those preserved from prior plans. A surviving spouse to whom you were married one or more years at the time of your death may also receive additional payments if you die prior to the time your benefits begin as described in the chart below.

IF	THEN
You have begun to receive benefits	50% of the benefit payable to you will be continued to your spouse.
You die after you have reached your earliest retirement age but prior to the time your pension payments begin	A survivor benefit for your spouse will begin immediately.
You are vested and die while working prior to your earliest retirement age or You are disabled or have a vested separation benefit and die prior to your earliest retirement date	A survivor benefit for your spouse will begin when you would have reached your earliest retirement age.
You are disabled or have a vested separation benefit and die after having reached your earliest retirement date but before your benefit payments begin	A survivor benefit to your spouse will begin immediately.
You have a vested separation benefit and die after your benefit payments begin	50% of the retirement benefits being paid will be continued to your spouse.

Note: Under the Joint and Survivor option, the employee's benefit is reduced because the benefit will be paid over two lifetimes. When a spouse is younger than an employee, it is customary for benefits paid to a spouse to be reduced based on the differences in ages — the younger the spouse, the more years over which the benefit will be paid. Under *PensionPlus*, the greatest age difference that will be used for the benefit reduction calculation is  $\frac{62}{3}$  years.



**6 ALBANY INTERNATIONAL CORP. PENSIONPLUS SUMMARY PLAN DESCRIPTION — JANUARY 1, 1999****RETIREMENT DATES**

You have four choices of a time to retire:

**Normal Retirement Date:** The first day of the month on or after your 65th birthday.

**Deferred Retirement:** If you work past age 65, you may defer retirement to any time you stop working after your normal retirement date, but you must begin receiving your retirement benefit after you reach age 70½.

**Early Retirement:** Anytime you are 55 years old and have completed 10 years of service. It doesn't matter if your service is from a prior Albany pension plan, under *PensionPlus*, or under a combination of the two.

Effective January 1, 1999 the early retirement factors were improved and were based on years of service.

For the revised early retirement factors that went into effect on January 1, 1999, the maximum annual reduction is 3%. In addition, the new factors take into account years of service.

With 40 or more years of service, there is no reduction at all in the *PensionPlus* benefit. With more than 35 but less than 40 years of service, the early retirement factor is 1% per year. For employees with 30 years of service but less than 35 years, the early retirement factor is 1½% per year, and for employees with fewer than 30 years of service, the early retirement factor is 3% per year.

You can choose the pension commencement date of your early retirement benefit — any date up to your normal retirement date.

The early retirement factors that went into effect on January 1, 1999 are shown for the range of years of service in the table below:

**Early Retirement Examples****If Age 65 Monthly Benefit is \$500**

<u>Age at Retirement</u>	<u>62</u>	<u>60</u>	<u>58</u>	<u>55</u>
40 or more yrs. service (No reduction)	\$500.00	\$500.00	\$500.00	\$500.00
35 to 40 yrs. service (1% reduction)	\$485.00	\$475.00	\$465.00	\$450.00
30 to 35 yrs. service (1.5% reduction)	\$477.50	\$462.50	\$447.50	\$425.00
Under 30 yrs. service (3% reduction)	\$455.00	\$425.00	\$395.00	\$350.00

**If Age 65 Monthly Benefit is \$1,000**

<u>Age at Retirement</u>	<u>62</u>	<u>60</u>	<u>58</u>	<u>55</u>
40 or more yrs. service (No reduction)	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
35 to 40 yrs. service (1% reduction)	\$970.00	\$950.00	\$930.00	\$900.00
30 to 35 yrs. service (1.5% reduction)	\$955.00	\$925.00	\$895.00	\$850.00
Under 30 yrs. service (3% reduction)	\$910.00	\$850.00	\$790.00	\$700.00

**If Age 65 Monthly Benefit is \$1,500**

<u>Age at Retirement</u>	<u>62</u>	<u>60</u>	<u>58</u>	<u>55</u>
40 or more yrs. service (No reduction)	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
35 to 40 yrs. service (1% reduction)	\$1,455.00	\$1,425.00	\$1,395.00	\$1,350.00
30 to 35 yrs. service (1.5% reduction)	\$1,432.50	\$1,387.50	\$1,342.50	\$1,275.00
Under 30 yrs. service (3% reduction)	\$1,365.00	\$1,275.00	\$1,185.00	\$1,050.00

**If Age 65 Monthly Benefit is \$2,500**

<u>Age at Retirement</u>	<u>62</u>	<u>60</u>	<u>58</u>	<u>55</u>
40 or more yrs. service (No reduction)	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
35 to 40 yrs. service (1% reduction)	\$2,425.00	\$2,375.00	\$2,325.00	\$2,250.00
30 to 35 yrs. service (1.5% reduction)	\$2,387.50	\$2,312.50	\$2,237.50	\$2,125.00
Under 30 yrs. service (3% reduction)	\$2,275.00	\$2,125.00	\$1,975.00	\$1,750.00



**Disability Retirement:** You may receive a disability retirement if you are not able to work in any position for which you are reasonably suited by reason of education, training or experience due to a mental or physical injury or disease. If you receive disability benefits from Social Security or from one of Albany's long-term disability plans, you may also qualify for a disability retirement. The Employee Benefits Committee has the right to ask you to present proof of your disability, and the Employee Benefits Committee will decide if your condition qualifies under the Plan's definition of disability.

You will not be eligible for a disability retirement if you contracted your injury or disease while you were committing or as a result of committing a criminal act, or if your injury or disease is the result of a deliberate self-inflicted injury.

You may begin receiving a disability retirement benefit on either your normal retirement date or on the date your long-term disability benefits stop, whichever comes later.

If you take a disability retirement and then recover from the disability, your benefit may be changed. You could be asked to return to work or your benefit could be changed from a disability retirement benefit to an early retirement benefit or a vested separation benefit, whichever applies in your particular circumstance.

### HOW YOUR BENEFIT IS PAID

There are standard methods of benefit payments under *PensionPlus*. One method is for married participants, the other is for single participants. Your benefit will be paid using the standard method that applies to you unless you elect an optional method of benefit payment (with your spouse's consent if you are married). Your spouse's consent to an optional method of benefit payment must be in writing and must be witnessed by a notary public. You cannot change your form of benefit once payment begins.

#### STANDARD FORM OF BENEFIT PAYMENT

For married participants, the standard method of benefit payment is a 50% joint and survivor benefit. This means you will receive a monthly benefit during your lifetime, and after you die your spouse will receive 50% of your monthly benefit amount for life. This 50% joint and survivor bene-

fit is calculated to be an equivalent value to a single life pension. It is adjusted so that the benefit can be paid over two lifetimes instead of one. Benefits accrued under the Salaried Plan prior to May 2, 1990 are paid to married participants on a 50% joint and survivor basis without adjustment for the survivor benefit if the spouse age is within five years of yours.

If you are not married, your standard method of benefit payment is a single life pension where you receive a monthly benefit amount, and when you die, the benefit stops.

#### OPTIONAL METHODS OF BENEFIT PAYMENT

If you choose an optional method of payment, the amount of your benefit will be the actuarial equivalent of your standard method. Depending on which method you choose, your monthly benefit payment may be lower than it would be using the standard method. Remember, if you are married, you may not choose any of the optional methods of benefit payment without your spouse's written consent, witnessed by a notary public.

#### JOINT AND SURVIVOR OPTION

You can choose a retirement benefit that would continue payments to a named beneficiary after your death. The Joint and Survivor Option allows you to choose the percentage, 50%, 66⅔% or 100%, of your benefit to be continued to your beneficiary.

#### LIFE OPTION

You receive a monthly benefit amount. When you die, the benefit stops.

#### 5 YEAR CERTAIN OPTION

The 5 Year Certain Option pays retirement benefits to you for your lifetime. If you die before the 5-year period ends, benefit payments continue to your beneficiary. But, if you live longer than the 5-year period, benefit payments stop when you die.

#### 10 YEAR CERTAIN OPTION

The 10 Year Certain Option is the same as the 5 Year Certain, but for a 10-year period.

#### LUMP SUM PAYMENT OF SMALL BENEFITS

If the total present value of your vested benefit is less than \$5,000, you will receive your benefit as

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a lump sum instead of receiving monthly benefit payments. This distribution is subject to mandatory federal 20% withholding rules unless directly rolled over to a qualified plan or IRA.

## Part 2 — ERISA and Other Information

### PLAN ADMINISTRATION, *PENSIONPLUS*

The Plan is administered by the Employee Benefits Committee of the Company's Board of Directors. The Committee makes rules to assure everyone covered under the Plan is treated fairly, authorizes benefit payments, answers questions, interprets the provisions of the Plan as needed, and makes decisions on appeals.

The Committee serves as the Plan Administrator as required by the Employee Retirement Income Security Act of 1974 (ERISA). It is responsible for maintaining records, filing and distributing Plan information to participants and their beneficiaries. The Committee is also the agent for service of legal process. Or, service of legal process can also be made on the Plan's trustee.

If you need to communicate with the Committee the address is:

Albany International Corp.

Attn: Chairman, Employee Benefits Committee of the Board of Directors

P.O. Box 1907

Albany, New York 12201

(518) 445-2200

### FINANCING THE PLAN

The Company pays the entire cost of the Plan through regular contributions to an irrevocable trust fund. Albany International Corp. is responsible for the funding policy of the Plan and for determining the amount of contributions to the Plan on the basis of periodic actuarial valuations.

The Plan's trustee makes benefit payments on the authorization of the Company. The trustee of the Plan is:

Wachovia Bank, N.A.

301 North Main Street

Winston-Salem, NC 27150

### APPLYING FOR BENEFITS

Benefits are determined by the Committee according to the Plan. If you wish to apply for benefits before age 65 (for example, an early retirement), notify your Benefits Representative at

least 90 days before the date you want to retire. Application forms for retirement benefits, option election forms and other information you may need can also be obtained from your Benefits Representative.

If you leave the Company with a vested pension, you should contact Albany International at least 90 days before you wish your benefit to begin.

### CLAIM APPEAL PROCEDURE

If the Committee denies your claim for benefits from *PensionPlus* in whole or in part, you will be informed within 90 days after your application is received. The notice will tell you why your claim was denied and refer you to the provisions of the Plan document on which the decision is based. The notice will also tell you of any other relevant records or papers used to make the decision, and inform you when and where you may see them. The Committee will also tell you what you can do to get your claim for benefits reconsidered.

If you disagree with the Committee's decision about your eligibility for a benefit or the benefit amount, you have 60 days to request a review. The Committee will give your request a full and fair hearing, and the resulting decision, written in clear, understandable language will be issued within 60 days after your request is received. If more time is needed because of unusual circumstances, you will be notified.

### LOSS OF PENSION RIGHTS

Other than failing to meet the age and service requirements for a benefit, there are no Plan provisions which would cause you to lose your pension credits. Your benefits under this Plan cannot be sold, assigned, or transferred, unless a court orders you to make payments to a separated or divorced spouse or other dependents. However, it is your responsibility to see that the Committee has your correct address so that benefit checks can reach you.

### PLAN IDENTIFICATION

The identification number of the Plan as used in government reports and filings is EIN 14-0462060 and PN 001.

### SPECIAL PLAN PROVISIONS

If you are unable to care for your own affairs, your pension payments may be made to a relative or a

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legal representative who is authorized to conduct your affairs.

If 60% of the benefits under *PensionPlus* are payable to Company officers or highly paid owners, the Plan becomes "top-heavy." For the period while the Plan is top-heavy, a special vesting schedule and certain minimum benefit guarantees are in effect. You will be notified if the Plan becomes top-heavy.

#### **PLAN CONTINUANCE AND INSURED BENEFITS**

The Company reserves the right to amend the Plan, including any changes necessary for Internal Revenue Service qualification. However, no amendments can reduce the value of your benefits below their value before the amendments.

While the Company expects to continue the Plan indefinitely, it reserves the right to terminate the Plan. If the Plan terminates, the assets will be used to provide benefits. If any assets remain because of incorrect actuarial calculations, those assets revert to the Company. However, you do have certain guarantees:

Your benefit immediately becomes 100% vested. The benefit will be the amount that has accrued as of the date of the termination. Your benefit will begin to be paid on your normal retirement date, unless you elect early retirement, in which case a reduced amount is payable.

If the Plan terminates, benefits are insured by the Pension Benefit Guaranty Corporation (PBGC). The Company pays the insurance premium for each member. Generally, the PBGC guarantees most vested normal retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits, and the amount of benefit protection is subject to some limitations.

The PBGC guarantees vested benefits at the level in effect on the date of plan termination. However, if a plan has been in effect less than five years before it terminates, or if benefits have been increased within the five years before plan termination, the whole amount of the plan's vested benefit or the benefit increase may not be guaranteed. In addition, there is a ceiling on the amount of monthly benefits that the PBGC guarantees. This ceiling is adjusted periodically.

For more information on the PBGC insurance protection and its limitations, contact the *PensionPlus* Committee or the PBGC. Inquiries to the PBGC should be addressed to:

The Office of Communications  
PBGC  
1200 K Street, N. W.  
Washington, D.C. 20005-4026  
(202) 326-4040

#### **YOUR RIGHTS UNDER ERISA WITH RESPECT TO *PENSIONPLUS***

If you have any questions about these descriptions or about *PensionPlus* in general, you should contact your Benefits Representative.

It is Albany International Corp.'s intent to administer all benefit plans fairly and to comply with all the various laws relating to employee benefits. To be sure that everybody is aware of their rights, these ERISA rights are included in this booklet.

As a participant in *PensionPlus*, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, all plan documents and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports, insurance contracts and Plan descriptions.
- Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Administrator may make a reasonable charge for the copies.
- Request, in writing, that the Plan Administrator provide you with a complete list of the employers and employee organizations sponsoring the Plan. Examine a complete list of the employers and employee organizations which sponsor the Plan.
- Request, in writing, that the Plan Administrator provide a response to whether or not a particular employer or particular employee organization is a Plan sponsor. If the



employer or employee organization is a Plan sponsor, obtain the employer's or employee organization's address.

- Receive a summary of each Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive benefits at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to benefits, the statement will tell you how many more years you have to work to get a right to benefits. This statement must be requested in writing and is not required to be given more than once a year. The Plan must provide the statement free of charge.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. These people, called "fiduciaries" of the Plan, have a duty to operate the Plan prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer or any other persons may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a benefit is denied in whole or in part, you must receive a written explanation for the reason for the denial. You have the right to have the Plan Administrator review and reconsider your claim. Under ERISA, there are steps you

can take to enforce the above rights. For instance, if you request materials from the Plan Administrator and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in state or federal court. If it should happen the Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in federal court.

The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about this Plan, you should contact the Plan Administrator. If you have any questions about this statement or your rights under ERISA, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor.

**TERMS YOU SHOULD KNOW****COMPANY**

Albany International Corp. and its participating affiliates.

**COMPENSATION**

Your compensation is your base pay including any pre-tax contributions you make toward *ProsperityPlus* and any shift differentials up to 2,080 hours per year. Your compensation excludes overtime, bonuses, commissions, special allowances for location of employment, amounts paid to you from any Albany International employee benefit plan, and any other form of earnings or pay.

If you are hourly paid, your compensation will be your hourly rate on January 1 times 2,080 hours, or 2,184 hours per year if that is your regularly scheduled work year.

In determining your High 3 for *PensionPlus*, federal law limits the maximum amount of compensation that can be taken into account to \$160,000 in 1999.

**PENSION COMMENCEMENT DATE**

This is the date your benefit payments begin, regardless of whether you take a vested separation benefit or any of the retirement benefits.

**PERIOD OF SEVERANCE (ALSO CALLED A BREAK IN SERVICE)**

Within the summary plan description, a period of severance is called a break in service. A break in service may not count toward your credited service. A break in service is the period of time beginning on the date you are absent from work. A one year break in service is at least 12 consecutive months. Your absence may still count for vesting service credit for up to one year if you are absent from work because of :

- Pregnancy;
- Birth of a child;
- Placement of a child with you for adoption; or
- Caring for a child immediately following pregnancy, birth or adoption.

Please make sure you notify the Committee within a reasonable time if you must be absent for any of the above reasons.

**PENSIONPLUS PLAN EFFECTIVE DATE**

The *PensionPlus* Plan was originally effective on January 1, 1971. It has been amended and restated. The restatement date is January 1, 1999.

**PLAN NAME**

The legal name of the *PensionPlus* Plan is Albany International Corp. Pension Plus Plan.

**PLAN YEAR**

The *PensionPlus* Plan year is a calendar year. The Plan's records are maintained on a calendar year basis.

**SEVERANCE FROM SERVICE**

Severance from service is the earlier of these two dates:

- 1) the date you resign, are discharged, retire, or die;
- 2) the first anniversary of the first date you are absent from service for any reason other than quitting, retiring, being discharged or dying. Examples of these absences would be vacations, holidays, sickness, disability, leaves of absence or layoffs.

**SPOUSE**

For certain death benefits your "surviving spouse" is the person to whom you have been married for at least one year at the time of your retirement. For other reasons, your "surviving spouse" is the person to whom you are married when your benefit payments begin, or when you die.

If you die prior to the time your benefit payments begin, your surviving spouse is the person to whom you were married at time of death, provided you were married at least one year. Once your payments begin, your "surviving spouse" is the person to whom you were married for at least one year at the time your benefit payments began.

**Attendance Report**

Wednesday, October 29, 2003

Date Range: From: 02/10/26 To: 03/10/26

**ALBANY**  
INTERNATIONAL**DORA DAVIS**

Emp # 00891

Date	Time	Description	# of Occurrences	Running Sum	Warnings	Date
02/11/07	1.81	DISMISSAL	0.50	0.50		
02/11/08	5.97	ABSENCE	1.00	1.50		
02/11/12	8	FAMILY MEDICAL LEAVE	0.00	1.50		
02/11/13	8	FAMILY MEDICAL LEAVE	0.00	1.50		RW
02/11/14	8	FAMILY MEDICAL LEAVE	0.00	1.50		
02/11/15	8	FAMILY MEDICAL LEAVE	0.00	1.50		
02/11/28	8	HOLIDAY	0.00	1.50		
02/11/29	8	HOLIDAY	0.00	1.50		
02/12/09	8	FAMILY MEDICAL LEAVE	0.00	1.50		
02/12/10	8	FAMILY MEDICAL LEAVE	0.00	1.50		
02/12/23	8	NO WORK AVAILABLE	0.00	1.50		
02/12/24	48	HOLIDAY	0.00	1.50		
03/01/01	8	HOLIDAY	0.00	1.50		
03/01/17	2.53	FAMILY MEDICAL LEAVE	0.00	1.50		
03/01/20	8	FAMILY MEDICAL LEAVE	0.00	1.50		
03/01/21	32	VACATION	0.00	1.50		
03/01/27	8	VACATION	0.00	1.50		
03/01/28	0.58	WORKMANS COMP	0.00	1.50		
03/01/29	8	VACATION	0.00	1.50		
03/01/30	0.62	WORKMANS COMP	0.00	1.50		
03/01/31	0.59	WORKMANS COMP	0.00	1.50		
03/02/05	8	VACATION	0.00	1.50		
03/02/06	8	VACATION	0.00	1.50		
03/02/07	8	VACATION	0.00	1.50		
03/02/12	8	VACATION	0.00	1.50		
03/02/14	8	VACATION	0.00	1.50		
03/03/03	8	ABSENCE	1.00	2.50		
03/03/06	8	VACATION	0.00	2.50		
03/03/19	3	WORKMANS COMP	0.00	2.50		
03/03/28	8	VACATION	0.00	2.50		
03/04/02	8	VACATION	0.00	2.50		
03/04/07	4.55	WORKMANS COMP	0.00	2.50		
03/04/16	8	VACATION	0.00	2.50		
03/04/17	8	ABSENCE	1.00	3.50	W	03/04/17
03/05/09	6	ABSENCE	1.00	4.50		

Wednesday, October 29, 2003

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Jun 21 2006 9:21 P.M.



<i>Date</i>	<i>Time</i>	<i>Description</i>	<i># of Occurrences</i>	<i>Running Sum</i>	<i>Warnings</i>	<i>Date</i>
03/05/14	8	FUNERAL LEAVE-UNPAID	0.00	4.50		
03/05/15	8	FUNERAL LEAVE-PAID	0.00	4.50		
03/05/16	8	FUNERAL LEAVE-UNPAID	0.00	4.50		
03/05/19	1.58	FAMILY MEDICAL LEAVE	0.00	4.50		
03/05/26	8	HOLIDAY	0.00	4.50		
03/06/26	8	NO WORK AVAILABLE	0.00	4.50		
03/06/27	8	NO WORK AVAILABLE	0.00	4.50		
03/07/13	40	NO WORK AVAILABLE	0.00	4.50		
03/07/18	8	NO WORK AVAILABLE	0.00	4.50		
03/07/25	5.82	ABSENCE	1.00	5.50		
03/07/28	8	NO WORK AVAILABLE	0.00	5.50		
03/07/29	7.16	ABSENCE	1.00	6.50		
03/07/30	8	NO WORK AVAILABLE	0.00	6.50		
03/07/31	8	NO WORK AVAILABLE	0.00	6.50		
03/08/01	8	NO WORK AVAILABLE	0.00	6.50		
03/08/04	0.46	WORKMANS COMP	0.00	6.50		
03/08/14	0.82	WORKMANS COMP	0.00	6.50		
03/08/15	5.6	WORKMANS COMP	0.00	6.50		
03/08/18	8	WORKMANS COMP	0.00	6.50		
03/08/19	8	WORKMANS COMP	0.00	6.50		
03/08/20	8	ABSENCE	1.00	7.50	W	03/08/20
03/08/22	8	INACTIVE STATUS	0.00	7.50		
03/08/31	40	VACATION	0.00	7.50		
03/09/01	8	HOLIDAY	0.00	7.50		
03/09/07	40	INACTIVE STATUS	0.00	7.50		
03/09/14	40	INACTIVE STATUS	0.00	7.50		
03/09/21	40	INACTIVE STATUS	0.00	7.50		
03/09/28	40	INACTIVE STATUS	0.00	7.50		
03/09/29	6.41	ABSENCE	1.00	8.50		
03/09/30	8	ABSENCE	1.00	9.50		
03/10/01	5.75	ABSENCE	1.00	10.50		
03/10/02	8	INACTIVE STATUS	0.00	10.50		
03/10/03	8	INACTIVE STATUS	0.00	10.50		
03/10/12	40	INACTIVE STATUS	0.00	10.50		
03/10/19	40	INACTIVE STATUS	0.00	10.50		
03/10/26	40	INACTIVE STATUS	0.00	10.50		
<b>Total Time</b>		<b>843.23</b>	<b>Total Occurrences</b>	<b>10.5</b>		
			<b>Total Warnings</b>	<b>2</b>		

Wednesday, October 29, 2003

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00891 w/e 2003/08/24  
DAVIS, DORA  
1500

8/18/03	WC	8
8/19/03	WC	8
8/20/03	Abs	8
8/22/03	<del>WC</del>	8
	INA	FB

ADD TO PAY			\$
1			
2			
3	8		

HOURS ABSENT  
8 Mon WC  
8 Tue WC  
~~8 Fri WC~~  
8 Wed Abs.  
40

8 Mon	WC		
8 Tue	Abs		
8 Wed	WC		WC
8 <del>Thu</del>			
8 Fri	<del>WC</del>	Inactive State	2

SIGNATURE *[Signature]* 8



EMP NO 00891 PLANT DEPT JOB NO WEEK ENDING NO  
 NAME DAVIS, DORA  
 DEPT 1500 CO

9-29-03 6.41 Absent  
 9-30-03 8.00 Absent  
 10-01-03 5.75 Absent  
 10-02-03 8.00 Inactive  
 10-03-03 8.00 Inactive

Unaccounted  
 occurrences  
 J.B.

ADD TO PAY \$  
 1 2 3  
 3.84  
 HOURS ABSENT  
 20.16 - Absent  
 16.00 - INA  
 SCHEDULED HOURS  
 40

(Sun) (Mon)  
 1.59 Monday 23:00 00:59  
 Tuesday - Absent  
 2.25 Wednesday 23:00 01:25  
 Thursday - Inactive  
 Friday - Inactive

SIGNATURE X \* 3.84 Hrs. Worked JB

\* Time worked per Ed  
 Kelley, Shift Leader JB

EMP NO 00891 w/e 2003/10/12  
 NAM DAVIS, DORA  
 DEPT 1500

10-6-03  
 10-7-03  
 10-8-03  
 10-9-03  
 10-10-03

40 Hours -  
 Inactive  
 Status

ADD TO PAY			\$
1			HOURS ABSENT 40 - INA
2			SCHEDULED HOURS 40
3			

Monday				
Tuesday				
Wednesday				
Thursday				
Friday				

INACTIVE  
STATUS

SIGNATURE X L.B. 0 Hrs. Worked

EMP NO	PLANT	DEPT	JOB NO	WEEK ENDING	NO
00891				w/e 2003/10/19	
NAME	DAVIS, DORA				
DEPT	1500				
AS	CD				

10-13-03	} 40 hours Inactive Status (INA)
10-14-03	
10-15-03	
10-16-03	
10-17-03	

ADD TO PAY			\$
1	2	3	HOURS ABSENT
			40 hrs - INA
2	3		SCHEDULED HOURS
			40
3			

Monday	} Inactive Status
Tuesday	
Wednesday	
Thursday	
Friday	

SIGNATURE X I.B. 0 hours worked



EMP NO 00891 PLANT DEPT JOB NO WEEK ENDING NO  
 NAME DAVIS, DORA  
 DEPT 1500 CO

10-20-03  
 10-21-03  
 10-22-03  
 10-23-03  
 10-24-03

Inactive Status

ADD TO PAY \$

1	2	3	HOURS ABSENT 40-INA
4	5	6	SCHEDULED HOURS 40

Monday					
Tuesday					
Wednesday					
Thursday					
Friday					

No Hours Worked  
 (Inactive Status)

SIGNATURE X J.B. 0 Hours Worked

EMP. NO. **00891** w/e 2003/11/02  
 NAME **DAVIS, DORA**  
 DEPT. **1500**

10-27-03 > INACTIVE  
 10-28-03 > STATUS

Dora resigned on  
 Wednesday, 10-29-03

ADD TO PAY			\$
A	C	D	HOURS ABSENT
			16-INA
Z			SCHEDULED HOURS
			16
3			

Monday > INACTIVE  
 Tuesday > STATUS  
 Wednesday - Resigned

SIGNATURE x *IB* 0 hours worked